

## **8. MEASURING ONE-STOP PERFORMANCE AND PLANNING FOR SYSTEM IMPROVEMENTS**

### **INTRODUCTION**

One of the guiding principles established by DOL is that One-Stop systems be both performance-driven and outcomes-based. In this chapter, we discuss states' progress in developing performance measurement and accountability systems for One-Stop and how they are using performance measures for system improvement.

To develop systems in congruence with DOL's principle, states need to:

1. Define performance measures for the One-Stop system.
2. Implement a system for measuring One-Stop performance.
3. Use performance measures for program improvement.

Although all of the case study states had started down the road toward a performance-driven system, they varied substantially in how they planned to measure One-Stop performance and in the extent to which they had implemented performance measurement systems at the time of our site visit.

### **GOAL 1. DEFINING PERFORMANCE MEASURES FOR THE ONE-STOP SYSTEM**

All states expressed a strong commitment to establishing a performance-driven One-Stop system. Indeed every state had at least started the process of defining performance measures for their One-Stop system by the time of our site visit.

Defining performance measures was typically a state effort, rather than a local one. Although local programs and staff often had input into the planning process, the state led the effort to develop performance measures. For example, Indiana established a work group consisting of state and local staff from JTPA service delivery areas and ES offices to help the state office shape One-Stop performance evaluation approaches. The state then developed a performance evaluation strategy that built upon the work group's ideas.

A few local areas, however, developed their own performance measurement system instead of waiting for the state. For example, while the state of Maryland had yet to move beyond stating general goals for its One-Stop system, the city of Baltimore had developed an extensive performance measurement system for its multi-site local

One-Stop network by the time of the site visit. This system included performance goals for the following areas: coordination and collaboration, uniformity of services among agencies and sites, the number of customers receiving multiple services, the number of jobs listed, and the number of customers served from the general public. Baltimore is also tracking additional outcomes for centers, including the number of placements, daily traffic flow, enrollments in the automated Job Bank, and the number of individuals receiving specific services. They are also measuring customer satisfaction.

In defining performance measures, states typically emphasized measures of customer satisfaction for both individual and employer customers, and were also concerned with employment outcomes for individuals. But states also defined measures for other aspects of performance. States typically developed or planned performance measures in several of the following categories:

- Individual and employer satisfaction. All states planned to measure customer satisfaction, usually for both employer and individual customers.
- Individual outcomes. Almost all states planned to measure employment for individuals, with about half of those planning to measure wages or earnings as well. About half of states also planned to measure skill attainment or educational achievement.
- Employer outcomes. Slightly over half of the states planned to measure employer outcomes, typically based on the filling of job orders.
- Equity and access. Slightly over half of the states planned to measure equity of access for specific demographic groups.
- Process measures. Most states were planning some type of process measures. Most were planning qualitative measures related to the implementation of One-Stop centers, including the breadth of services available, extent of customer choice, and the extent of collaboration and coordination. Others focused on the method of service (e.g., use of self-access or group services).
- Cost and efficiency measures. About half of the states planned to use cost or efficiency measures. These ranged from measures of staff workload (UI claims per staff position) to measures of return on investment.
- Market share/total utilization. Most states planned to measure either the market share of One-Stop centers or the total utilization of the centers for employer or individual customers.

Exhibit 8-1 summarizes the types of measures planned by each of the case study states.

In many cases, these plans were still under development at the time of our site visit and may have changed since this information was collected. The exhibit does, however, illustrate the general breadth of states' performance measurement plans and some of the diversity among states in the types of measures planned. Exhibit 8-2 presents some example measures in each of the categories.

## **GOAL 2. IMPLEMENTING ONE-STOP PERFORMANCE MEASUREMENT**

Although all states had a commitment to developing a One-Stop performance measurement system, they varied substantially in the extent to which they had actually implemented performance measurement procedures by the time of the site visit. Although a few states were able to implement their performance measurement system nearly in full, most were in the first of several planned phases of implementation, while a few were still in the planning stage. Typically, states were able to implement fully measures that had been adapted from those used by partnering programs. In contrast, states were moving more slowly in implementing measures that broke new ground. Below we discuss some of the strategies used by states to implement One-Stop performance measurement.

Because most other states were planning some form of phased implementation—both of One-Stop systems and of performance measurement procedures—they needed to develop a strategy to ensure accountability during the implementation process. Three strategies were used by the case study states.

First, some states emphasized the use of process measures during a first phase, using on-site reviews to assess whether the desired features of the One-Stop system had been achieved. A number of these sites planned to assess participant outcomes during a second phase of One-Stop performance measurement. Wisconsin, for example, developed the *Job Center Standards*. The Job Center Standards are a set of process measures that describe the characteristics of a well-coordinated local system (functional standards) and identify a minimum menu of services that centers are expected to provide to individual and employer customers (service standards). For example, one functional standard is that assessment not be redundant across participating partners, while one service standard is that testing and assessment be available to all customers. These process measures are supplemented by existing program outcome measures.

**Exhibit 8-1**  
**Cetegories of Planned Performance Measures in Case Study States**

	CT	IN	IA	MD	MA	MN	OH	TX	WI
<b>Individual Outcomes</b>									
Employment/retention	✓	✓	✓			✓	✓	✓	✓
Wages/earnings			✓				✓	✓	✓
Skill attainment/educational achievement			✓	✓				✓	✓
Other					✓				
<b>Employer Outcomes</b>									
Filling of job orders	✓		✓				✓		
Other			✓		✓				
<b>Customer Satisfaction</b>									
Individual satisfaction	✓	✓	✓	✓		✓	✓	✓	✓
Employer satisfaction	✓	✓	✓	✓		✓	✓	✓	✓
<b>Equity and Access</b>			✓		✓		✓	✓	
<b>Process Measures</b>									
Breadth/choice of services						✓			✓
Coordination/integration				✓		✓		✓	✓
Timeliness of services/waiting time	✓								
Utilization of services	✓								
Method of service	✓	✓	✓						
<b>Cost and Efficiency</b>	✓		✓			✓	✓		
<b>Market Share/Total Utilization</b>									
Employers		✓		✓	✓		✓		
Individuals		✓		✓	✓		✓		

Note: The information in this table has been drawn from multiple sources and may include measures planned by states at different times. Further, because most states are still developing their performance measurement systems, this table should not be relied on to document the current plans for performance measurement.

**Exhibit 8-2**  
**Examples of Planned Performance Measures in Case Study States**

<b>Individual Outcomes</b>	
Employment	Percent of applicants placed during the program year (IN) Number employed 90 days after completing services or entering employment (IA) Employment in occupations that support a living wage (MN)
Wages/earnings	Wages and earnings 1 year after program (OH) Percent with higher post-program than prior earnings (TX)
Skill attainment/educational achievement	4 levels of educational attainment (IA) Increased life-long learning (MD) Number achieving one or more skill enhancements (OH)
Other	Positive outcome rate (MA)
<b>Employer Outcomes</b>	
Filling of job orders	Percent of job orders filled (IA)
Other	Repeat customer rate (MA)
<b>Customer Satisfaction</b>	
Individual satisfaction	Index of individual satisfaction (several states)
Employer satisfaction	Index of employer satisfaction (several states)
<b>Equity and Access</b>	Access/equity based on gender, age, race/ethnicity, and disabled status (TX)
<b>Process Measures</b>	
Breadth/choice of services	All services available in electronic or written form (MN) Testing and assessment available to all customers (WI)
Coordination/integration	Assessment is not redundant across participating partners (WI)
Timeliness of services/waiting time	Average number of minutes for longest wait (CT)
Utilization of services	Usage of information resource areas in centers (IN)
Method of service	Percent of applicants receiving services in group setting (CT)
<b>Cost and Efficiency</b>	Decrease in UI tax rate (OH) Return on investment (OH)
<b>Market Share/Total Utilization</b>	
Employers	Ratio of job openings listed to new hires (IN) Number of employer customers (MA) Penetration rate with employers with growing and sustaining employment (MN)

Individuals	Percentage of people employed (new hires) who receive services (MD) Number of customers from general public (Baltimore)
-------------	--

Simultaneously, the state is developing customer satisfaction surveys for both individual and employer customers and working on developing outcome measures.

On-site reviews were also used by the second group of states that used a combination of process and outcome measures during an initial implementation phase. An example is Ohio, where cross-program monitoring teams evaluated each local One-Stop system against self-determined goals and benchmarks. The reviews resulted in recommendations for local system improvements. During the initial period, local sites were also expected to meet existing performance standards and reporting requirements for individual categorical programs. They were also encouraged to use locally designed tools to measure customer satisfaction. The state simultaneously developed an integrated case management system designed to track performance outcomes. Full implementation of a One-Stop performance measurement system is scheduled to occur once the case management system is operational.

Minnesota is another example of a state that used a combination of process and outcome measures during an initial implementation phase. Workforce centers in Minnesota are expected to conduct customer satisfaction surveys in their first year of operation to establish baseline data from which to measure future improvements. They are also expected to show progress in providing access to electronic services and to document their ability to offer customers a wide range of choices of both services and providers. At the same time, the state established baselines for performance measures that were planned to go into effect during the second year. The state is also beginning to plan an integrated MIS by determining what data are mandated for collection across all participating programs and identifying data that are unnecessary for assessing One-Stop performance. The state plans to request waivers to eliminate unnecessary data collection.

Third, other states simply relied on existing program performance measures (e.g., JTPA, ES) to provide accountability while they developed their performance management system. These program performance measures remained in effect in all states, regardless of the implementation of One-Stop performance measurement.

Connecticut was one of the few states that was able to implement a nearly complete performance measurement system during the first year of One-Stop career center operations. The Connecticut system measures center performance on a quarterly basis. The quarterly performance reports not only display each center's measured

performance, but also compare it to the normal performance range in the state, to benchmarks for best practice in the state, and to an ultimate performance goal. The system includes about 20 different performance measures, including individual and employer outcomes, employer and individual satisfaction, process measures, and an efficiency measure. Although the system is elaborate and incorporates a wide variety of measures, the system was originally designed for ES and UI offices and then applied to One-Stops as well. Because the existing ES and UI data systems could already support these measures, Connecticut was able to fully implement its system quickly. However, the performance measures focus narrowly on the ES and UI services offered within One-Stop centers; the greater scope of the One-Stop system is not recognized. Thus, the system lacks attention to some of the outcomes addressed by other states, such as measures of wages and earnings or of skill attainment for individual customers.

### **GOAL 3. USING PERFORMANCE MEASURES FOR PROGRAM IMPROVEMENT**

Performance measurement is not an end in itself; instead performance measurement is intended to be a tool that can be used to foster program improvement. Although all states expressed their intention to use performance measurement in this way, states varied considerably in their implementation of program improvement systems. Typically, those states that were further along in implementing performance measurement were also further along in using performance measures for program improvement. All states, however, were planning one or more efforts to encourage the use of performance measures for program improvement. These efforts included the following:

- Requiring or encouraging local One-Stop systems to use performance measures to improve their programs. Most of the case study states encouraged centers to engage in continuous improvement.
- Providing training in continuous improvement or total quality management (TQM).
  - Minnesota is developing a program of “Workforce Excellence Training” designed to promote customer satisfaction and continuous improvement based on TQM criteria and to introduce best practices through replication of products and resources developed throughout the country. Training will be provided to state and center staff in a “train the champion” model.
- Implementing a formal, state-developed continuous improvement process.



- Connecticut developed a complete continuous improvement process including quarterly performance reports that highlight performance problems for each center; training for center staff in continuous improvement, TQM, and other techniques for identifying program improvements keyed to the use of the quarterly report; and on-going technical assistance by state staff for local continuous improvement efforts.
- Planning to make managers accountable for performance.
  - Indiana planned to develop accountability standards for use in evaluating managers' performance. Managers were to be evaluated on program performance standards and on the overall operation of their offices.
- A system of incentives for good performance and sanctions for poor performance.
  - Many states indicated in their One-Stop implementation proposals to DOL that they would develop systems of incentives for good performance and sanctions for poor performance. Typically these plans would provide technical assistance to poorly performing centers and require them to implement corrective action plans. Financial rewards were also planned for high performing centers. At the time of our site visits, however, states typically had not yet implemented these systems.

Among the local areas we visited, several were using performance measures to help design program improvements. As mentioned earlier, Baltimore had developed an extensive set of performance measures. The Baltimore Eastside Career Center also collected customer satisfaction information and used some performance and satisfaction measures to evaluate performance of individual staff. This system is designed to motivate staff to provide excellent service to customers.

Several other local areas were using customer feedback to help design system improvements. For example, the Arlington (Texas) Career Center asks customers to complete a form with suggestions, comments, or complaints. Completed forms are posted in the resource room and customer feedback is regularly reported to staff. FutureWorks Career Center in Springfield, Massachusetts, established a cross-functional "No Excuses Team" charged with maintaining customer focus, designing mechanisms for customer feedback, and ensuring that such feedback informs the continuous improvement process.

Other local areas were collecting performance and customer feedback information but had not started to use these data for program improvement. For example, the Waukesha County (Wisconsin) Workforce Development Center was focusing on collecting data on the center's design and delivery of services, but staff had not yet developed an approach to analyzing and using these data. Similarly, the Minnesota Workforce Center in Anoka County collects customer feedback using comment forms and regular "customer advisory" focus groups, but did not have an effective system for analyzing and disseminating the information to front-line staff.

Still other local sites were holding off on both collecting and using performance information. For example, the Des Moines (Iowa) Workforce Development Center was waiting to obtain customer feedback and implement a continuous improvement process because their One-Stop system was as yet not fully developed. Similarly, staff in the Columbia, Maryland, Career Center believed that they could not yet obtain good measures of customer satisfaction because their interim hardware and software difficulties would negatively skew customer feedback.

### **ACCOMPLISHMENTS, CHALLENGES, AND NEXT STEPS**

Although developing a performance measurement system for One-Stop was an important element of each state's One-Stop agenda, most states had not yet fully implemented such systems at the end of the first year of One-Stop operations. Nonetheless, most states had made significant progress in planning their performance measurement system and most states were able to establish some preliminary mechanisms to assure accountability for One-Stop systems.

Overall, accomplishments at the end of the first year of One-Stop operations include the following:

- All case study states had started a process designed to define performance measures for One-Stop centers. Although a few states had determined only the general areas in which they wanted performance measures (e.g., employment retention), others had developed detailed definitions.
- Some states had started redesigning their information systems to support new One-Stop performance measures.
- Some states were able to start collecting data for at least some of their planned performance measures; most others were planning to start in the near future.

- Nearly all states had put in place at least some preliminary mechanisms for providing accountability for their One-Stop systems.

State and local areas identified several impediments to rapid implementation of One-Stop performance measurement systems, including the following:

- The early stage of One-Stop implementation. There was a strong sentiment among many local areas that implementing performance measures while One-Stop centers were still in their infancy would stifle innovation. Some areas were also concerned that measuring performance before ongoing implementation problems were resolved would be unfair.
- The absence of an integrated MIS. Several states have included the development on an integrated MIS as an essential element of their strategy for measuring One-Stop performance (see Chapter 4). Consequently, full implementation of performance measurement was often delayed while states tackled the process of building a new MIS.
- Inconsistency between existing program performance measures and planned One-Stop measures. Local areas saw collecting and meeting both One-Stop and program performance measures as complex, confusing, and burdensome. For example, some areas are concerned that existing ES measures do not recognize the improvements in customer service inherent in their One-Stop designs.
- Measuring performance for self-access services. Several states were struggling with developing a way to measure performance for self-access services. Although none had developed way to measure outcomes, some were planning to measure usage of self-access services.
- Allocating responsibility and credit. Several states and local areas were concerned about how to allocate responsibility for successes and failures when a single person is served by multiple agencies

These challenges and impediments suggest some of the next steps that states will need to take to develop effective One-Stop performance measurement systems.

- Virtually all states are moving forward in defining performance measures at the same time that DOL is working to develop a “menu of measures” for One-Stop systems. To make best use of these simultaneous efforts, it will be important to promote information sharing, both among states and between DOL and the states.
- Most states will need to expand their vision of performance measurement to cover the full breadth of One-Stop systems. A critical issue for many states will be to develop effective ways of measuring

performance for self-access services, which are increasingly important elements of One-Stop systems.

- In light of the fact that developing an integrated MIS or case management system is seen as a precursor to performance measurement by many states, and because performance measurement for One-Stop systems is evolving, it is important that MIS systems be flexible enough to allow the introduction of new performance measures. Also, because many states have embarked on similar MIS development tasks, it is desirable to encourage information sharing and collaboration.
- States need to develop a vision of the purpose of performance measurement and how performance measures will be used. Alternatives under consideration range from the development of incentive and corrective action systems with a strong state role to merely encouraging local systems to use performance measures to improve their programs.
- There is a strong need for capacity building in using performance information for program improvement. Many local One-Stops are collecting customer feedback and other performance information, but have been unable to analyze or use the data effectively. Until local areas have the capability to use performance information to improve their programs, they may see performance measurement as an empty exercise with no value to them.